

MINUTES OF THE CITY OF BURLINGTON
CITY COUNCIL WORK SESSION
July 19, 2010

The City Council of the City of Burlington held a regularly scheduled work session at the John Robert Kernodle Senior Activity Center, 1535 South Mebane Street, Burlington, N.C., on July 19, 2010, at 7 p.m.

Councilmembers present: Mayor Ronnie K. Wall, Mayor Pro Tem David Huffman, Councilmembers James Butler, Stephen M. Ross and Celo Faucette

Councilmembers absent: None

Harold Owen, City Manager, present

Robert M. Ward, City Attorney, present

Jondeen D. Terry, City Clerk, present

Other Staff Present: Bob Harkrader, Frank Hope, Nolan Kirkman, Bob Patterson, Mike Williams, Lisa Wolff, Mary Faucette, John Nixon and Katie Franklin.

Others Present: Anne Morris, Burlington Downtown Corporation, Karen Weston-Chien, Wellsley Robinson, Rick Davenport, and several other members of the Burlington Downtown Corporation Board of Directors.

Media Present: Michael Abernethy and Chris Lavender, Times-News; Tom Boney, Alamance News

A) Downtown Streetscape Design

Ms. Anne Morris introduced Karen Weston-Chien, Haden Stanziale, Charlotte, NC, who worked on the master planning process. Ms. Morris pointed out that several of the Burlington Downtown Corporation board members were present to show support for the streetscape project.

Ms. Weston-Chien gave the following streetscape project update:

Today's Goals:

1. Introduce the design concepts and implementation strategies

2. To obtain approval of design concepts so that design development can proceed and the plan can be completed within the contract period.

Project Scope:

- Front Street from Lexington to Church Street
- Depot area from Front Street plaza area and the grassy area fronting Webb Avenue
- Implementation budget: \$350,000

Process

- March to April: Consultant Selection
- May: Site Analysis & Project Kick-off: Prioritization
- June to July: Development of Design Concepts, Contract Feasibility, Design Approvals, and Stakeholder Input
- August: Public Input & Construction Documents
- September: Construction
- Complete!

Front Street Site Analysis

1. Need to "narrow" the street through curb extensions, center median to slow auto traffic and to create a pedestrian environment.
2. Need to add street trees to soften the transition zone between auto and pedestrian and create a pedestrian friendly environment.
3. Add banners, street furniture, planters to create a pedestrian friendly environment for shoppers.

Project Challenges

1. Limited budget- no money for new sidewalks, wider sidewalks at this time.
2. Would like street trees, need street trees, but without digging up sidewalks proper irrigation is difficult.
3. The many canopies make placing trees within the existing sidewalks difficult.
4. The narrow sidewalks provide limited small-scale community gathering spaces.

Design Concepts- Phase 1

Large free standing planters, paint light poles and banners, gathering areas, green spaces, and green space behind the Depot.

Work Left to Do

1. Engineering design of gathering areas
2. Public meeting- August 5th
3. Selection and ordering of the materials
4. Refinement of design of Depot grassy lawn
5. Construction and installation
6. Planting

Ms. Morris said that there had been a positive reaction from tenants. She asked for approval to proceed with the design development. Ms. Morris said there was a public meeting scheduled for August 5, 2010. Ms. Morris distributed preliminary budget estimates.

Councilmember Faucette said improvements were needed along Webb Avenue and South Church Street.

Mr. Kirkman reiterated that several parking spaces would be lost but that the tenants were okay with it.

Mr. Tom Boney asked if a public hearing was required to remove parking spaces.

Attorney Ward said he did not know of any statutory requirement for a public hearing to remove parking spaces.

Councilmember Faucette said he would like to see the work of local artisans, and Ms. Morris said they were working with the Alamance County Arts Council and other local artists.

Mr. Owen said recovery money must be spent by October 1, 2010.

Council was in agreement to move forward with the project.

B) Burlington Downtown Corporation Fiscal Year 2010-2011 Proposed Small Grants Program

Ms. Morris made the following presentation:

FY 2010-2011 Grant Cycle Priorities

This Small Grants Program is one part of an Economic Development Toolbox that is the beginning of a framework for public investments intended to leverage significant private investment in downtown Burlington. The proposed grants programs are informed by the recommendations from the 2008 Downtown Burlington Master Plan (Haden Stanziale, et al.); from research into the types of programs offered in communities across North Carolina, and from conversations with individual business and

property owners in downtown Burlington. Business needs were identified through market analysis using ESRI market data, stakeholder input and visioning completed as part of the 2008 Burlington Downtown Master Plan, and survey and interview data collected from downtown business owners. Of the \$105,000 in Municipal Service District and City of Burlington general funds designated for the Economic Development Toolbox activities, \$80,000 has been allocated to this Small Grants Program. The remaining \$25,000 is designated to seed a Revolving Property Fund that is still in the planning stages. A brief description of the revolving property fund is included at the end of this document.

Proposed Grant Cycles

Applications will be reviewed on a quarterly basis by a grant selection team drawn from the BDC Board of Directors and standing committee volunteers. The grant selection team will make recommendations to the Board of Directors which will make the final decisions. Within each grant cycle, decisions will be made on a competitive funds available basis with the goal of funding the projects that show the most potential for strengthening downtown Burlington's economy in the long term. The selection process is expected to last approximately 60 days. This time frame gives BDC staff ample time to work with applicants to verify information and for the committee and Board of Directors to review and deliberate on applications.

Applications and required materials will be due to the BDC by the following dates:

September 30, 2010
December 30, 2011
March 30, 2011
June 30, 2011

Program Goals

With downtown Burlington's particular needs in mind, the proposed small grants programs focus on the following goals:

- To encourage the sustainability of both new and existing businesses;
- To facilitate the development of certain retail, restaurant and other uses identified in market analyses and by the BDC as desirable to future downtown success.
- To facilitate the sensitive, historic rehabilitation of downtown buildings;

- To facilitate the rehabilitation and modernization of downtown buildings into 21st century business locations;
- To increase the energy efficiency of downtown buildings, thereby increasing businesses' opportunities for success and strengthening the value of downtown real estate;
- To facilitate the development of residential units within the upper stories of buildings within the downtown municipal service district;

Grant Programs Available

The following grants will be available to business and property owners within the Municipal Service District:

1. Business Up-fit Grant

- Purpose: To facilitate new and expanded business enterprises in the downtown area consistent with the recommendations of the 2008 Burlington Downtown Master Plan. Market analysis identified opportunities for downtown Burlington in the areas of:

- Full service dining
- Specialty clothing
- Home furnishings
- Office/stationer's/gifts and,
- Food related retailers

Other businesses that the BDC feels will add to the business mix will also be considered, such as:

- Arts related retailers (i.e., galleries, photography studios, pottery, crafts),
- Health and fitness businesses and others

- Funded Activities: Proceeds can be used for building up-fit including demolition, painting, finish carpentry, flooring, display fixtures, and equipment.
- Available Funds: 50-50 matching program. \$3.00/square feet for retail; \$5.00/square feet for restaurants, with a maximum of \$5000 plus a possible additional \$5000 for restaurants requiring specialized equipment. Planned investments made within the last 12 months of program application can be used as match, not including buildings or land.
- Eligibility: New businesses in operation less than two years and existing businesses that are significantly expanding or changing their business model.

- Requirements: Minimum of two estimates for contracted work. Five-year deferred loan, approved business plan, business or personal financial statement, may request business mentorship and quarterly reports.

2. Business Sustainability Grant

- Purpose - To assist both new and existing businesses in their efforts to grow their businesses, attract new customers and to keep their businesses on a sound financial footing.
- Funded Activities - Activities under this program are less likely to be in the form of direct grant assistance and more likely to take the form of technical assistance, from BDC staff and volunteers, partner organization and/or from specialized consultants. Grant proceeds can be used for specialized training, workshops, software, research, and development of marketing strategies, business development or other similar services.
- Available Funds - The maximum grant amount for the two year period is \$1,500 and is a 50-50 matching program.
- Eligibility - Both new and existing businesses are eligible.
- Requirements - The applicant should prepare a proposed plan for the funds that could span two years. Application for this program should be carried out in consultation with BDC and SBC and or SBTDC (Small Business and Technology Development Center) staff or another business consultant regarding business needs and goals as well as available resources. Applicants should also submit a business plan with the application and may be asked to meet with a business mentor and submit quarterly reports.

3. Building Rehabilitation and Modernization Grant

- Interior Systems and Energy Efficiency Improvements
- Exterior Façade and Signage
- Purpose: To encourage the sensitive and appropriate rehabilitation of buildings within Burlington's historic core such that they not only contribute to an attractive, quality shopping and business district but also meet the business and living needs of the 21st century.
- Funded Activities: There are two grants available under this program:

- **Exterior Façade and Signage Grant:** Wood and masonry repair, window repair, exterior painting, appropriate cleaning of brick or masonry, awning installation and signage.
- **Interior Systems Grant:** Addresses modernization of the interior shell of downtown buildings. This can include upgrades to plumbing, HVAC, electricity, fiber optics, energy efficiency improvements and improvements related to the Number 1 Fire District.
- **Available Funds** - \$7, 500 per façade or per interior with a \$20,000 building maximum. Rear and side facades that are viewable from a street are eligible but not without an improved front façade.
- **Eligibility** - Property and business owners within the Municipal Service District. Business owners who are tenants should apply jointly with their property owner.
- **Requirements** - Minimum of two estimates, five-year deferred loan, business plan, business or personal financial statement may request business mentorship and quarterly reports.

4. Downtown Residential Incentive Grant

- **Purpose** - To assist with the development of quality income-producing residential uses in the upper levels of the buildings within the downtown Municipal Service District.
- **Funded Activities** - Interior renovation work associated with the creation of Class A residential units, including demolition, up-fit, and installation of systems, finishes and fixtures. Examples of eligible projects include: rental or apartment housing, condominium development (for sale housing), or hotel development.
- **Available Funds** - A \$3.50/square foot subsidy is proposed with a maximum of \$5,000 per unit for the first 100 unit built, with a \$2.50/square foot subsidy available for the next 150 units built. Funds are subject to availability.
- **Eligibility** - Developers of new units to be designated as Class A are eligible. Class A will be defined and determined by the BDC and a list of amenities provided to applicants. Investor-owners of Class C or B units who wish to upgrade them to Class A units are also eligible for the grant.
- **Requirements** - Business Plan, Operating Pro Forma, Sources and Uses Statement, Business or Personal

Financial Statement. Total rehabilitation expense must exceed two times the amount of the grant and be completed within 12 months of the award date. Minimum of two estimates. Project must meet all zoning and code requirements and must follow Secretary of Interior Standards for Rehabilitation. Grant monies will be awarded upon inspection of improvements by BDC staff and issuance of a Certificate of Occupancy.

Description

The purpose of this fund is to prevent problem properties from becoming blighted properties and to expedite the development process for these properties. The fund will allow the BDC to purchase options on properties, stabilize the properties, conduct feasibility analyses and other pre-development studies, and to market the properties to new buyers with preservation easements put into place. The BDC proposes to capitalize this fund with a minimum of \$25,000 for each of five years.

City Manager Owen mentioned that at the 2010 City Council retreat it was suggested to promote housing in the downtown area.

Councilmember Faucette said that there were underground streams downtown and that there could be a problem with mold in some of the old buildings. He suggested practicing caution.

C) Traffic Stop ID Standards Update

Chief Williams reported that the police chiefs from Alamance County had met recently about identification cards. A representative from ICE, which is part of Homeland Security, was present. He explained that all chiefs in the county are having the same problems. People are giving officers fraudulent and or fake information. He said that it is important for the different agencies to be consistent on how to handle fake cards. He pointed out that identification is a core issue in law enforcement because of the possibility of arresting a wrong person. ICE supervisor Bob Judge disseminated good information. He said officers should be given good training. He said the second goal was to provide consistent information across the county. He said training will take place through Alamance Community College. He said that it was important for officers to know how to identify someone properly. Mayor Wall thanked Chief Williams for the initiative to move forward and for taking it to his colleagues.

D) Jimmy Combs Memorial

Mr. Owen announced that the Jimmy F. Combs Memorial Pavilion dedication would be held Sunday, September 19, 2010, at 3:45 PM before the final act at the Carousel Festival.

E) Committee Reports

Councilmember Butler said he attended the Alamance County Transportation Authority (ACTA) meeting and that a new agreement for the Department of Social Services was discussed. He said Mr. Bob Burke was recently appointed to the board, and officers would be elected soon.

Mayor Wall said he attended a Joint Merger Task Force meeting to discuss the possibility of merging the Piedmont Triad Council of Governments (PTCOG) and the Winston-Salem Council of Governments. He told Councilmembers that he would like to have a discussion with them on how they would like him to vote on the merger. He said their first meeting was to get to know one another and the last meeting was about philosophy and the likes and dislikes of both COG's.

F) Questions Concerning City Council Agenda

There were no questions concerning the agenda.

G) City Manager Comments

Mr. Owen said that legislators passed a bill concerning animal cruelty called Susie's Law. This matter will need to be discussed with other Alamance County municipalities.

Mr. Owen said that Ernest Mangum said that removal of the Terrace Apartment had begun on July 19, 2010.

Chief Williams will inform Council about the August 3, 2010, National Night Out gatherings.

Mr. Owen said that at the next two work sessions, Council would be given detailed information on the O'Neal-Rockwood extension.

Mr. Owen said paving will be completed soon on Church and Fisher Streets.

Mr. Owen mentioned that the Stone Soul Picnic was rained out.

Adjourn

Jondeen D. Terry
City Clerk